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S E C R E T SECTION 01 OF 02 KUALA LUMPUR 000436

SIPDIS

FOR SECRETARY GATES FROM AMBASSADOR KEITH

E.O. 12958: DECL: 05/28/2028  
TAGS: [MARR](#) [MASS](#) [MCAP](#) [MOPS](#) [PREL](#) [PTER](#) [OVIP](#) [MY](#)  
SUBJECT: SCENESETTER FOR SECRETARY GATES' MEETING WITH  
MALAYSIAN DEPUTY PRIME MINISTER NAJIB TUN RAZAK

Classified By: Ambassador James R. Keith, reasons 1.4 (b, c, d).

#### Introduction

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¶1. (C) I welcome your planned meeting with Malaysian Deputy Prime Minister and Defense Minister Najib Tun Razak in Singapore. Najib remains at the center of Malaysia's leadership crisis, but thus far has refrained from challenging the politically wounded Prime Minister Abdullah. Najib conveys a sophisticated understanding of regional and world power dynamics; a balance of power strategic view, including of the U.S. and China; and a relatively pragmatic approach to security issues. As you explore bilateral defense relations with Najib, it will be useful to frame the discussion in terms of our shared national security interests in adhering to international norms, particularly nonproliferation and export controls, and in strengthening international institutions, such as multilateral peacekeeping. Recognizing that it benefits from regional stability, Malaysia has contributed to conflict resolution in Southeast Asia. That said, Malaysia can and should do more, commensurate with the benefits it derives from regional peace and stability, and from secure sea lanes of communication.

#### Najib in Balancing Act

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¶2. (S) Najib, as Deputy Prime Minister and Deputy President of the leading UMNO party, is carrying out a careful balancing act in the midst of Malaysia's leadership crisis, which resulted from the March 8 election setback to UMNO's National Front coalition. As calls mounted for Prime Minister Abdullah to step down immediately, many UMNO elites turned to Najib, who is seen as a more forceful leader better able to fend off challenges from an empowered opposition led by long-standing activist Anwar Ibrahim. Abdullah has confirmed that he would hand over power to Najib, but only in another two to three years. Najib has carefully played the loyal deputy. While still the most likely successor, other contenders have emerged, and Najib must deal with domestic political vulnerabilities, including his reputation for corruption and allegations of linkages to an ongoing murder case. We believe that Najib currently seeks to burnish his leadership image by seeking more statesmanlike engagements on the world stage.

#### Defense Ties Remain Strong

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¶3. (S) The fluid political situation since the March 8 elections has not affected our bilateral military interaction with Malaysia, which remains strong. Military-to-military cooperation has improved in recent years, as reflected in part by increased U.S. Navy ship visits (22 in 2007, up from

5 in 2003); regular high-level exchanges; Malaysia's co-hosting of the Asia Pacific Intelligence Chiefs Conference in 2007; and U.S. provision of 1206-funded coastal radars for eastern Sabah facing the maritime terrorist-transit area between Malaysia, the Philippines and Indonesia. Behind the scenes, Malaysia has provided important cooperation on counter-terrorism, an effort led by Malaysia's police rather than the military.

#### Sophisticated, Pragmatic View of Security Issues

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14. (C) As Defense Minister, Najib conveys a sophisticated understanding of regional and world power dynamics and a more pragmatic approach to security issues compared to most other Malaysian leaders. Najib is one of the few strategic thinkers within the political elite, and at times he has overruled elements of the Foreign and Defense ministries, steeped in Non-Aligned Movement ideology, to push for mutually beneficial cooperation, such as the 1206-funded radars for Sabah. His expressed views on the future regional presence of China and India are not far from our own. He is watching closely the emerging powers, but he perceives significant benefit to Malaysia in the successful integration of both countries into global and regional institutions.

#### Adhering to International Norms - Nonproliferation

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15. (S) As you explore U.S.-Malaysia defense relations with Najib, it will be useful to frame the discussion in terms of our shared national security interests in adhering to

KUALA LUMP 00000436 002 OF 002

international norms related to nonproliferation and export controls, and in strengthening international institutions. Malaysia is an aspiring first world nation with a strong vested interest in global peace and prosperity, and prides itself in upholding UN decisions. At the same time, Malaysia lacks an export control regime and invests little effort in implementing current UN sanctions against Iran, a situation that Iran exploits. An export control regime will provide the confidence needed for the future sale and transfer of sophisticated defense technology, whether from the U.S. or others. More broadly, robust export controls go hand-in-hand with Malaysia's drive to attract investment in high technology areas and become a regional trading hub. Malaysia's consideration of and tangible steps toward a goal of joining the Missile Technology Control Regime would complement the establishment and implementation of an export control regime, and help it move closer to the international mainstream with regard to missile nonproliferation.

#### Strengthening International Institutions - PKO

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16. (C) In addition, Malaysian long-term security interests are well served by strengthening and contributing to international institutions under the UN and other bodies. Malaysia's contributions to international peacekeeping, such as its soldiers' current service in Lebanon under UNIFIL, represent a strong, positive example, as would future Malaysian deployments in Afghanistan or Darfur.

#### Regional Role

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17. (C) Closer to home, Malaysia benefits from regional stability, due in no small part to our contributions, and out of self-interest Malaysia has played a role in conflict resolution in Southeast Asia, usually outside of ASEAN structures. Over the past few years, Malaysia has contributed personnel and aid to Aceh, assisted in the stabilization of East Timor, facilitated peace talks between the Philippines government and Mindanao insurgents, and delivered some relief supplies to cyclone-hit Burma. Despite

Malaysia's recent decision to withdraw cease-fire monitors from Mindanao, we should encourage Malaysia to play a constructive role in stabilizing the southern Philippines, thus preventing conflict from affecting Malaysia's own borders. While Malaysia has been reticent to push for reform in Burma, the aftermath of the Cyclone Nargis provides an example of the horrific consequences of the Burmese junta's misrule and the costs to the region. Malaysia could play an important part in future ASEAN disaster response mechanisms.

KEITH